

**CORN AND SOYBEANS: Production Costs and Returns,  
Heartland Region, Excluding Government Payments, 2007-2008 1/ 2/**

Item	Corn		Soybeans	
	2007	2008	2007	2008
<b>Gross value of production</b>	<u>Dollars Per Planted Acre</u>		<u>Dollars Per Planted Acre</u>	
(excluding direct Government payments)				
Total gross value of production	501.27	651.74	400.76	502.58
<b>Operating Costs</b>				
Seed	49.40	61.29	38.54	42.98
Fertilizer 3/	96.13	158.22	15.62	27.99
Chemicals	26.55	27.57	14.49	15.84
Custom operations 4/	9.80	9.80	5.54	5.54
Fuel, lube, and electricity	25.00	32.64	12.14	15.77
Repairs	13.11	13.46	10.88	11.25
Interest on operating capital	4.85	2.24	2.18	2.67
Total operating cost	224.84	305.22	99.39	122.04
<b>Allocated overhead</b>				
Hired labor	1.51	1.56	1.38	1.54
Opportunity cost of unpaid labor	21.24	21.96	17.26	19.24
Capital recovery of machinery and equipment	66.73	71.97	70.42	78.51
Opportunity cost of land (rental rate)	110.48	123.66	122.02	136.04
Taxes and insurance	6.88	7.64	9.56	10.66
General farm overhead	13.00	13.35	16.26	18.12
Total allocated overhead	219.84	240.14	236.90	264.11
Total cost listed	444.68	545.36	336.29	386.15
<b>Value of production less total costs listed</b>	56.59	106.38	64.47	116.42
<b>Value of production less operating costs</b>	276.43	346.52	301.37	380.53
<b>Supporting information</b>				
Yield (bu./planted acre)	155	158	49	46
Price (dollars per bushel at harvest)	3.23	4.12	8.22	11.04
Enterprise size (planted acres) 1/	281	281	299	299
<b>Production practices 1/</b>				
Irrigated (percent)	5	5	4	4
Dryland (percent)	95	95	96	96

1/ Developed from survey base year 2005 for corn. Developed from survey base year 2006 for soybeans.

2/ The Heartland Region includes portions of South Dakota, Nebraska, Iowa, Missouri, Illinois, Indiana, Ohio, and Minnesota's Ag. Statistics Districts 4, 7, 8, and 9. Minnesota is also part of the Northern Crescent and Northern Great Plains Regions. Information is available about the Northern Crescent and Northern Great Plains Regions on the ERS website listed below.

3/ Cost of commercial fertilizers, soil conditioners, and manure.

4/ Cost of custom operations, technical services, and commercial drying.

Source: Economic Research Service, United States Department of Agriculture, Washington, D.C.  
Internet Web Site ([www.ers.usda.gov/data](http://www.ers.usda.gov/data))